

A VISION FOR THE FUTURE

TWENTY

OF OUR CANALS AND RIVERS



The private sector built the canals, the public sector rescued them and I believe the third sector can be their future.

TONY HALES, CHAIRMAN, BRITISH WATERWAYS



INTRODUCTION BY TONY HALES, CHAIRMAN

When our navigable canal and river network began to take on the form we recognise today, America was still a colony, most of us lived in rural communities, and the idea of universal suffrage was unthinkable.

How much has changed in 200 years!

Yet the canals and rivers that contributed so much to our future as the world's first industrialised global power are still with us and, incredibly, have so much more to offer in the next 200 years.

The last decade has seen a widely acknowledged waterway 'renaissance' with canals being reinvented as agents of rural and inner city regeneration whilst offering some of the greenest recreational facilities available in the U.K. Indeed as the world faces up to the challenge of climate change we are now starting to see the increasing potential of our waterways to alleviate flooding, provide refuge for threatened wildlife, provide alternative transport and, thanks to the latest technology, even generate clean electricity.

We need to make sure we can unlock all the potential canals and rivers have to offer in the next decade and century.



Navigations started life as the reddest of red-blooded capitalist operations. The race to subscribe for shares was fast and furious. The private sector model created the network but did not sustain it as investors moved on to new innovations such as rail.

So that model was abandoned with nationalisation in 1948 and the canals and rivers we manage have remained in public ownership ever since. The public sector model has arguably seen the waterways through difficult times and has undoubtedly enabled their re-birth in the last decade. However, we believe that in the long-term there is a need for evolving a new model of ownership for the waterways – a model which will embrace all that the public and private sectors can offer and, importantly, allow the voluntary sector to make a much greater contribution to the governance, management and financing of the waterways in the future.

Neither private nor public sector solutions can provide everything the waterways need to meet the current demands placed upon them, or unlock their latent potential. Voluntary sector organisations have had much to offer to the waterways even in their most difficult times. So that is why we propose the start of a gradual migration from the public sector to the voluntary sector where we believe the passion and support they engender can be fully realised for the benefit of all. We put this forward for discussion because we believe that it will be the basis for continued renaissance, will allow more public involvement in canals and rivers and most importantly, provide the right framework for another 200 years of success.

Public debate on such an important topic is essential and we hope 2009 will see plenty of comment on this paper, which attempts to set out our proposals for achieving a sustainable future for our waterways.

KEY POINTS:

Over the last decade the 200 year old waterway network in our care has enjoyed a widely acknowledged renaissance.

For this to continue into the next 200 years, we need to look at a new model of ownership for our waterways.

We propose a gradual migration from the public sector to the voluntary sector and would like to invite public debate on this.



This document briefly explains the position of the waterways today from a strategic perspective. It then sets out a new journey for achieving a more sustainable future for the canals and rivers managed by British Waterways, with particular attention to the three aspects widely acknowledged as making up a sustainable approach:

ENVIRONMENT
SOCIETY
ECONOMIC VALUE

Finally, it invites debate and explains our plans for engaging stakeholders and collecting feedback.



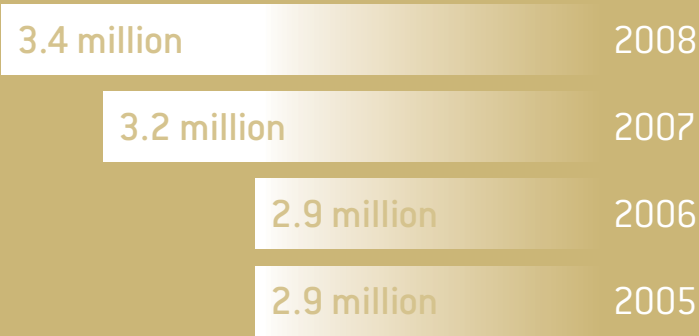
WHERE ARE WE TODAY?



Our introduction paid tribute to what is rightly perceived as the ‘renaissance’ of the waterways in recent years. There has certainly been improvement – canals and rivers have thrived as agents of urban and rural regeneration.

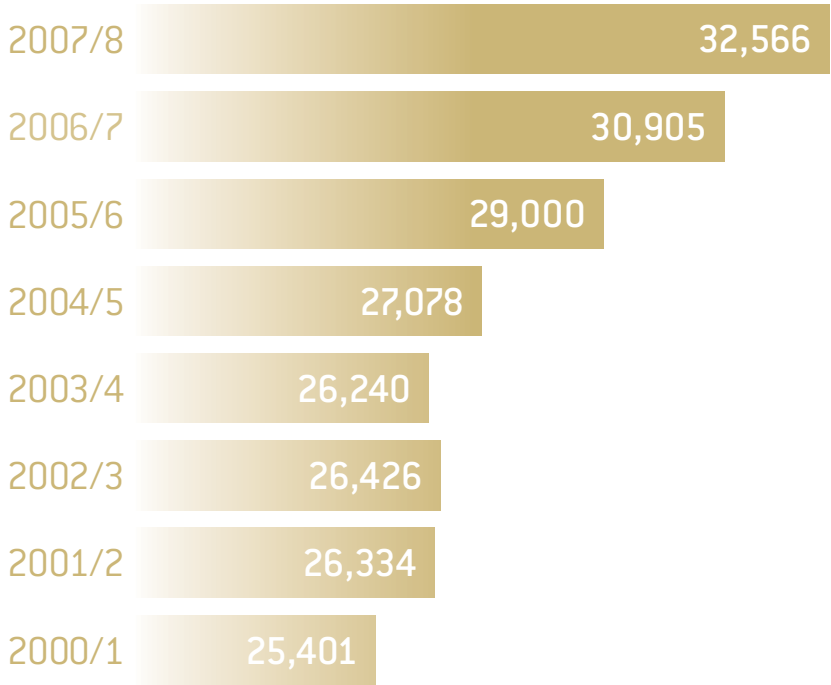
The numbers visiting have increased despite the myriad alternatives of the consumer digital age and the number of boats on the network is at its highest in modern times.

VISITOR NUMBERS BOAT NUMBERS



VISITORS BY YEAR

The number of adults visiting a British Waterways Inland Waterway in an average two week period. British Waterways Annual Inland Waterway Visitor Survey.



INCREASE IN BOAT NUMBERS ON
BW-MANAGED WATERWAYS.
Data as published in annual reports.

Yet behind this success there lies a long-term strategic problem which we must all address today. Put simply, our canal and river network is ageing and as it grows old, things take longer and cost more to fix. Historic structures such as tunnels, embankments, bridges and aqueducts are no exception. The cost of maintaining this infrastructure increases with its age and, even more importantly, the structures deteriorate at a faster rate as they get older.

Work commissioned by British Waterways from accountants KPMG (British Waterways Status options review – June 2008) suggests that an extra £30 million is needed every year to allow the network to reach a ‘steady state’ of maintenance in which repairs are routine and the long-term decline of the network is prevented. The same report by KPMG also demonstrated that British Waterways’ commercial income from current sources was just about the maximum achievable without taking risks that would not be in the public interest for the management of such an important part of our national heritage.

In the last decade there has been significant public investment in the waterways in England, Scotland and Wales. Much has been done to catch up on the backlog of maintenance. However, economic cycles, unpredictable global crises such as the world is currently experiencing, and the reluctance of government to make long-term funding commitments, inevitably impact upon the availability of public finance, and that affects our ability to plan investment in the waterways at the levels we need.

The current lack of a sustainable maintenance regime cannot continue for much longer and it is British Waterways’ duty to put forward an alternative solution for the long-term.

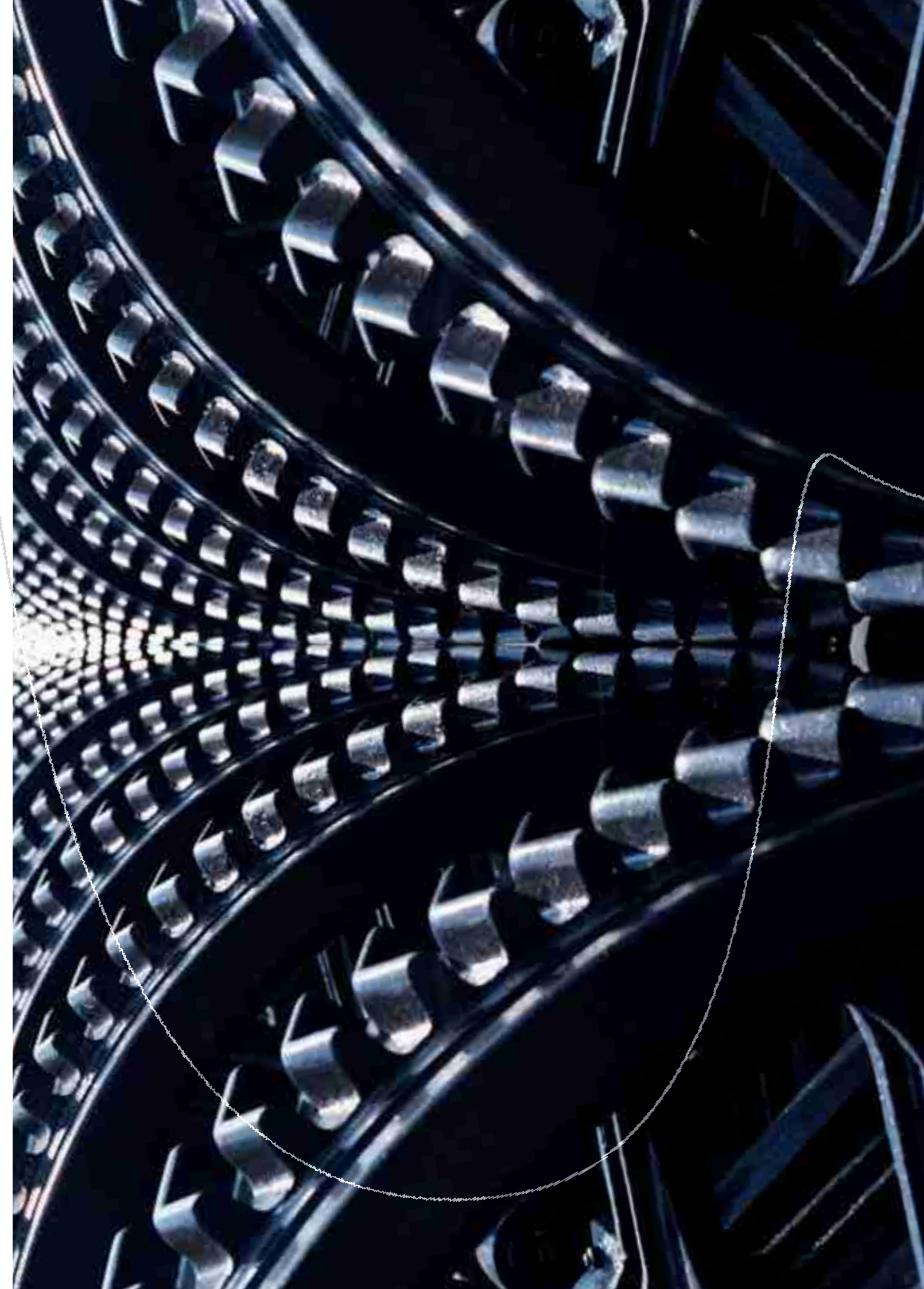
Our suggested strategy is a medium-term solution to tackle a long-term problem. It will take up to 10 years to implement fully and successfully, so we believe it is right to make a start now if we are to ensure that future generations can also benefit from the canals and rivers we all love and enjoy.

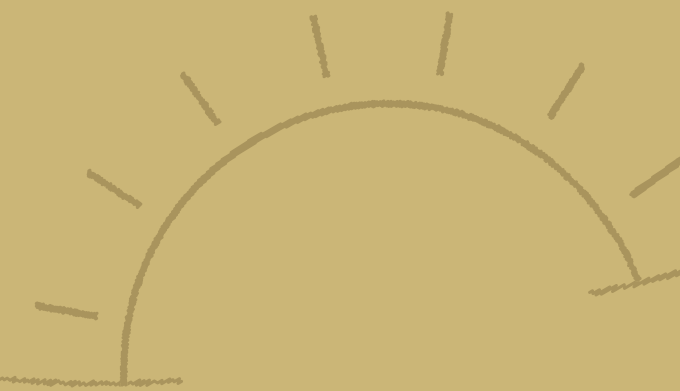
KEY POINTS:

In recent times, our canals and rivers have thrived as agents of urban and rural regeneration.

In spite of this success, we must be aware that it’s an ageing network and that’s why things take longer and cost more to fix.

An extra £30 million is needed every year to allow the network to reach a ‘steady state’ of maintenance.





We propose that British Waterways should embrace the commitment of stakeholders through a new model of governance and organisational structure, by migrating to become a third sector organisation by 2020.

The option of privatisation has been suggested and rejected by governments and parties for the last 20 years and British Waterways agrees that this is not a viable or desirable option for the waterways now, or in the long-term.

We believe that eventual third sector status potentially offers the waterways many benefits, including:

- governance arrangements that allow greater participation by stakeholders
- an unambiguous purpose to sustain the waterways and maximise the public benefits they create
- a more transparent and secure funding arrangement with government by means of a contract
- the potential to make the most of the support from individuals and communities, increasing volunteering and potentially fundraising



Such a change would be gradual and would provide much learning for British Waterways and our stakeholders. However, we believe that once in progress it would make a major contribution towards the sustainability of the system.

The extent of the public benefit that any waterway can deliver (economic, social and environmental), is wholly dependent on the waterway's relative health i.e. its structural condition, operational usability, ecological value, visual amenity and economic viability. Ensuring the long-term sustainability of a waterway not only preserves for future generations its intrinsic worth but also maximises the diverse public benefit that it can deliver.

For British Waterways, the short-term improvement in the waterways condition achieved to date is insufficient. The waterways still have great unfulfilled potential for delivering the diverse range of public benefits they are capable of generating. To unlock that potential requires a step change in both their resourcing and the extent to which that potential is, alongside their intrinsic worth, better recognised and valued by society at large. That is best achieved through a strategy that has, as its ultimate goal, a change to the ownership structure of British Waterways that broadens it beyond just central government and brings a true sense of belonging and responsibility for the canals and rivers to communities and individuals.

An aerial, high-angle photograph of a city at night. The city lights are visible, reflecting on the water. A bright blue line, possibly a river or a path, curves through the lower left portion of the image. The overall tone is dark and moody, with the city lights providing a contrast.

THE JOURNEY **IN THREE STEPS**

Below we set out our strategic intention under each sustainability factor. We also set a headline target for each area to stimulate debate and focus our ambition.

ENVIRONMENTAL SUSTAINABILITY

We are stewards of some of the very best of Britain's built and natural environment. With climate change and increased age and fragility, the need to protect waterway built heritage and natural environment is growing. We must be seen clearly as champions of these causes.



Our strategy will focus on the following key areas:

encouraging and facilitating more people to appreciate and enjoy their local built and natural heritage

managing the many and varied waterway habitats for the benefit of their associated flora and fauna

becoming increasingly expert in the management of water to minimise our consumption of this precious resource and maximise the benefits water can deliver through recreation, supply, alleviation of localised floods and droughts, and sustainable energy solutions

championing the built heritage of the waterways however big or small to ensure future generations can experience as we can, the extraordinary feats of the past

Getting a clearer recognition of the waterways' environmental role will help to ensure their environmental sustainability.

SOCIAL SUSTAINABILITY

The waterways have an enormous capability to initiate and enhance 'place making' and 'neighbourhood renewal'; to contribute to 'social inclusiveness'; and to facilitate and promote outdoor recreation, health and community interaction. These must be both further developed and better articulated and understood.



Equally, British Waterways must increase its engagement with its wider stakeholding base through even greater participation and improved openness and accountability.

The challenge is to provide a good local service and at the same time be able to engage effectively with initiatives to deliver social objectives.

Our strategy here will focus on these key areas:

strengthening British Waterways' involvement in partnerships at national, regional and local levels to help achieve major public policy initiatives for the delivery of social objectives

a strong communications effort to explain the benefits of investing (both money and time) in the waterways to audiences far beyond those traditionally involved in them

active participation by supporters and stakeholders in the management of the waterways, which will lead to a greater sense of shared responsibility for their future wellbeing

Taking this new approach to broadening and strengthening involvement with the waterways will help to improve their social sustainability.

3

ECONOMIC SUSTAINABILITY

Under the new strategy, we expect the financial pressures on British Waterways to change but not to disappear completely.

Whether in the public or third sector, we will be required to be efficient, earn a good return from the waterways without disproportionate risk and spend all the money we receive wisely.

Our strategy here will focus on four key areas:

our property endowment is important to our future success.

We will need to retain what we have and, where sensible, extend it. We will also seek the power to borrow prudently against our estate to create long-term income streams for the waterways

we will need to continue to receive government funding as we move towards the third sector and after. We believe that the rationale for the funding should be set out in a contract which would give the waterways added certainty and the government clearly defined value for money

as we move towards third sector status we intend to engage better with stakeholders in local government organisations and with communities and individuals. Over time, this will provide us with access to potential new funds, support and synergy with local activities and agendas

we must always be more efficient which is why in April last year we began a programme of savings including a restructure of our organisation to not only achieve economies of scale but also more responsiveness to local authorities and individual communities. A separate explanation of the details of this change is available at www.britishwaterways.co.uk/twentytwenty



NEXT STEPS



We hope this document will stimulate public debate on the future of the waterways. We will spend the rest of 2009 actively encouraging this by inviting our partners, stakeholders and customers to get involved and tell us what they think. We will engage with people through:

a series of local meetings across the country throughout the summer with boaters, anglers, walkers and other interested canal users

attending a range of conferences and events such as those held by political parties and the local government association

our annual meeting on 6 October 2009

meetings with representatives from the third sector and wider public sector

In December we will reflect on the reaction to the new strategy and make sure it is fed into Defra's *Waterways for Tomorrow* document which will set out government's policy for the future of England & Wales' inland waterways. This is due to be published early in 2010. The Scottish government will consider the views expressed in the public debate in its forthcoming update of the policy document, *Scotland's Canals: An Asset for the Future*.

To find out more visit
www.britishwaterways.co.uk/twentytwenty

Twenty years from now you will be
more disappointed by the things you
didn't do than by the ones you did do.
So throw off the bowlines.
Sail away from the safe harbor.
Catch the trade winds in your sails.
Explore. Dream. Discover.

ATTRIBUTED TO MARK TWAIN



British Waterways
64 Clarendon Road, Watford WD17 1DA
Telephone 0845 671 5530 Fax 01923 201300

www.waterscape.com
www.britishwaterways.co.uk

